Exhibit B

UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

IN RE:	Case No. 01-10578(JKF)
FEDERAL MOGUL GLOBAL, INC.,	USX Tower - 54th Floor 600 Grant Street Pittsburgh, PA 15219
Debtor.	
	June 20, 2007
	9:03 a.m.

TRANSCRIPT OF HEARING
BEFORE HONORABLE JUDITH K. FITZGERALD
UNITED STATES BANKRUPTCY COURT JUDGE

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and things like that those are cases that the tort system, the civil justice is not processing at this point in time.

Q So do I take it from your answer that the defense costs that Mr. Lockwood posited to you would not be a consideration in resolving those claims.

A In the tort system that's correct.

Q Mr. Lockwood also asked you on cross examination about establishing precedent. Did you understand what he meant by that, establishing precedent with respect to these unimpaired claims?

A I understood it to mean that if you start selling them you're going to settle in for a long period of time and kind of the scenario we saw during the 1990's that led to the bankruptcies of Owens Corning, Fiberboard, Pittsburgh, Corning, you name it.

Q So is this what you were referring to in your report when you refer to the entrepreneurial model of claims making?

A Yes. The litigation for profit screening is its kind of phrase. Yes.

Q And what impact does that have in your opinion on the exposure of the defendants and their insurers?

A Well, the TDP document as it's currently structured would allow for the resolution at the level Mr. Lockwood mentioned of $1000 a claim for virtually anybody who could claim to have Pneumo Abex exposure and had certain minor changes in their

lungs as proffered by anyone of the expert witnesses. So the number of claims that are in the projections of the future claims representatives are nearly 122,000 of those disease Level 1 over the history of the Trust and that comes out to $122 million.

Q So $122 million you mean it would not be resolved -- dealt with in the tort system today.

A As the tort system is currently dealing with cases. That's correct. Generally.

Q Is that what you were referring to as well on cross examination when you talked about the materials presented by David Austern with respect to the Manville claims making?

A Yes. The Manville -- what Mr. Lockwood and I were discussing the Manville claiming history over the last several shows an alteration from mainly claims that were nonmalignancies. Again, ones generated in these screenings. Two, what we're actually seeing -- closer to what we're seeing in the tort system was a more significant percentage of the claims that are being submitted being malignancy or severe lung cancer. those types of things.

Q So yesterday when Mr. Lockwood examined you about global settlements at the CCR that might have paid these claims years ago would you agree that that kind of settlement that you talked about with Mr. Lockwood would not occur today?

MR. LOCKWOOD: Objection, Your Honor. I can't

MR. BRUNSTAD: I'd be happy to, Your Honor. If Mr. Neal's inviting that, that would be great.

MR. NEAL: Your Honor --

MR. GOLDBLATT: Your Honor, I object.

MR. NEAL: Why is there no difference, Your Honor? Because there's no methodology. Putting aside a witness's experience, be it ten years, be it twenty years, be it thirty years, experience alone is insufficient, and the case law supports us on that, and I'll give the Court a couple of citations.

Here is the opinion boiled down to its essence, TDP is bad; tort system good. Despite his general experience, though, Mr. Coleman has not established that either the methods or the findings in his report qualify as expert testimony. There is no methodology, no empirical analysis, no intellectual rigor, nothing that Rule 702 requires.

By his own admission, and we heard it again on redirect, by his own admission, his review of materials has been limited, and his conclusions are based merely on his familiarity with the TDP's, the plan documents, seminar materials that -- of a seminar he didn't attend, but received relating to Johns Manville, and the application of his personal experience.

His own opinion is based on nothing more than the general experience and review of the documents here, the

documents that are at issue, the plan documents. Insufficient as a matter of law.

Let me just go through my list, Your Honor, of what we heard and what we didn't hear on the redirect. Mr. Coleman never qualified as an expert in any court on the matters that he opines on here. Mr. Coleman never authored peer-reviewed articles or analyses on the matters on which he wants to opine here. Mr. Coleman has done no comparison of the TDP's to the tort system other than applying his personal experience. Mr. Coleman testifies he has no peers that he knows of who have conducted such an analysis. Mr. Coleman has applied no methodology. It is neither appended to his expert report, it is not appended to his declaration, which is in lieu of his direct, and it was not articulated in any degree of specificity on cross or redirect here today.

There is no data. There's no projections. There is nothing that we can test, Your Honor, to establish that the TDP's in this case somehow make it more expensive for the insurers in the future.

In contrast we have Tom Florence, doesn't opine on the same issues, but I'm just drawing a comparison with respect to data with respect to the quantification and crunching of the numbers analysis and projections. We don't have that with Coleman.

Here's what we have with Mr. Coleman. All we know is

he read the TDP's and other plan documents, he's read the summary materials relating to Manville and he applied thirty years of experience. That's speculative, that's unreliable, that's not subject to any empirical analysis or challenge by anybody. We are merely presumed to have to accept his opinion as is.

Briefly on the case law, Your Honor, and then I'll close. The Third Circuit in Oddi, O-d-d-I, v. Ford Motor Company, 234 F.3d, 136, year --

THE COURT: I'm sorry, give me the cite again?

MR. NEAL: Sure, Your Honor. Oddi v. Ford Motor Company, Oddi, O-d-d-I v. Ford Motor Company, 234 F.3d 136, 2000 opinion. Rejects expert testimony based primarily on the expert's own training and experience as an engineer. Lacking in that case was any quantification or analysis.

The District Court of Delaware in 2004. This one will be difficult to pronounce. It is Izume Products Company, I-z-u-m-e Products Company v. Konin Klijke, Philips Electronics, NV. Konin Klijke or Klock, K-o-n-i-n, K-l-i-j-k-e, where the Court provides an expert opinion is reliable if it is, quote, "based on methods and procedures of science rather than on subjective belief or unsupported speculation." And that court cites In Re: Paoli P-a-o-l-I, 35 F.3d 742. And it goes on to provide that the expert must have, quote, "good grounds for his or her belief."

to the standing argument, and Mr. Coleman is offered as your witness on that score, that he ought to be heard by this Court. So, that's my preliminary view.

There is obviously some bias with respect to the fact that CNA is his largest client. And the Court does have to factor that into the weight to be afforded his testimony. I think everybody considers that.

MR. CHRISTIAN: That's perfectly appropriate.

THE COURT: And I believe that in fact all of the other aspects that have come out in cross examination and on direct, such as the fact that his -- that CNA is his largest client, are factors that this Court can consider with respect to the weight. That's my preliminary view.

I am going to take a look at the cases. I am still concerned about the methodology issue. I truly am concerned about the methodology.

MR. CHRISTIAN: Right.

THE COURT: I agree that Mr. Coleman has recited, both on the stand and in his declaration, the process that he went through, but I'm not sure that that is the type of methodology that Daubert and Cumo Tire expect can be replicated. And that is the reliability standard that both Daubert and its subsequent progeny talk about. The want to see something that someone else could duplicate.

The type of analysis that Mr. Coleman provided to

this Court can't be replicated, because everything he talked about is what he's done in his mind. Yes, he's looked at medical criteria, but it's in his mind. Yes, he's done an exposure analysis, but it's in his mind. Yes, he's looked at the Manville statistics, and there are printed statistics. So, someone else can look at those statistics, but how he's factored that into this analysis is in his mind.

There is not a process that can be replicated in any sense. And yes, he has experience, but that experience, to the extent that it weighs into this analysis that he has provided to the Court, is not either capable of replication. Does he have specialized knowledge? Yes, he does seem to have specialized knowledge, and I need to take a look at the cases to see how those two factors, his specialized knowledge on the one hand, but the fact that nothing he's testified to can be replicated on the other, can be balanced.

MR. CHRISTIAN: Your Honor, and all I'd say to that point, because I think Your Honor has grasped one of the issues that are -- is presented by this motion to strike very clearly. We believe the Cumo Tire says the kind of analysis of peer review and replication that you're talking about is inapplicable to this kind of experiential and knowledge-based testimony.

As Your Honor observed, he clearly has the knowledge and experience. And I would say this as well. I think it can

non-scientific testimony. And that's where Cumo Tire comes in. I'll just say that, you know, perhaps he doesn't think much of Mr. Lockwood's analysis of those things, or perhaps Mr. Lockwood wouldn't qualify as an expert on these things, but as a matter of fact, if they'd chosen to, they could have done the same analysis.

They could have brought in medical doctors to say that Peter Coleman's all washed up about his medical analysis, but they chose not to offer a rebuttal expert.

THE COURT: But --

MR. LOCKWOOD: Your Honor, the --

THE COURT: I think that's the issue, and I -- Mr. Christian, and so before I go look at the cases I want to make sure I articulate what I -- my concern is.

MR. CHRISTIAN: Um-hmm.

THE COURT: I don't think anybody's challenging the fact that in looking at a settlement someone would look at the medical criteria, the exposure data and so forth. I don't hear a challenge to that fact.

The problem here is that what Mr. Coleman has sais is that in his review of the TDP's, the specific TDP in this case, which he has not compared to any other TDP, somehow or other causes the insurance companies -- will cause the insurance companies to have to pay more money than they will have to pay in a tort system because, he views the fact that the TDP's have

a different type of administrative process, a different type of exposure criteria and a different type of medical criteria in some instances but not in all.

But in those instances they're not articulated in all particulars. So, there is -- it's very difficult to go through this declaration. In fact, I'll try it again, but my first run through in this declaration did not enable me to go through and say, "Okay, he says, for example, the meso criteria are the same in the TDP system, so that's not where the issue is."

All right, the, you know, Level 6 is the same in the TDP and the tort system, so that's not where the issue is.

MR. CHRISTIAN: Right.

THE COURT: I cannot -- I cannot replicate his analysis, even in looking at the declaration. I can't figure out from this declaration --

MR. CHRISTIAN: Let me give you an example, if I might, Your Honor.

He says, for example, in his declaration, that a ten-year latency period is not consistent with the tort system, right?

THE COURT: He does say that.

MR. CHRISTIAN: The plan proponents could have some in and told Your Honor that's wrong. Here's example after example of where a ten-year latency period was applied. They didn't do that.

TDP's, no experience with trusts, and in fact, that he had not used any comparison with any other trusts to find out what that data would have been for insurance companies in the past or in the present dealing with whether or not there in fact were economic losses to insurance companies from dealing with any other trusts or TDP's period. So, I have no data upon which he made his comparison.

The, I believe, Oddi case talks about the fact that an intuitive inquiry is simply not sufficient for an expert to make an -- to proffer an opinion, that the expert has to set forth some information specifically about the data that has been used and that something more than a haphazard intuitive inquiry is required.

Here that's essentially what we have. Not that Mr. Coleman's approach is haphazard. He certainly had a principled approach to what he did, but that principled approach is not based on anything that can be stated of record. We don't know what data he looked at.

There are -- because he's looking at an economic injury -- things that could have been done and stated to actually assess what an economic analysis would be. People can forecast economic losses. He did not attempt to do that. He simply said that the range of loss would be between the tens and hundreds of millions of dollars without attempting to analyze in any way whether there was a specific economic

injury. And as a result there is simply no data on which the Court can assess the reliability of what he did.

His opinions are nothing more than his subjective beliefs. They are unsupported evaluation, and his conclusions were not generated by a reliability methodology. As a result, I find that they -- that his opinion must be stricken and he is not, I think, qualified in this instance to offer an expert opinion on the subject matter for which he was called.

So, the motion is granted.

MR. ALVAREZ: Your Honor, Fred Alvarez from Mumick and Leek. Before we go on, just as a housekeeping matter.

THE COURT: Yes, sir.

MR. ALVAREZ: We have one of our experts who unfortunately is only available today. I've approached Mr. Neal to talk about whether we can go out of order. Apparently their side's not interested in doing that. He has -- Justice Stein is the expert, Your Honor. He had a mediation yesterday where he was the mediator. He's tied up tomorrow. He's only available today.

I think we're not going to finish tomorrow, unfortunately. If that's the case, we can bring him back when we resume, but I just don't want his unavailability to preclude him from coming back later.

THE COURT: All right, is there a reason we can't take Justice Stein out of order?

MR. GUY: Your Honor, we have accommodated the insureds on a witness that was supposedly unavailable today who turned out to be available today. And as a result all of our witnesses were pushed back, all of which have their own busy schedules, all of which have been waiting. The plan supporters are entitled to put their case on. If we're not done by Thursday, we hope to be done by Thursday, they can bring him back.

Mr. Stein -- Justice Stein, I'm sorry, has the same issues that Mr. Coleman had. They were raised in the motion in limine, and I don't want to take any thunder away from Mr. Neal, but we've spent hours and hours and hours with Mr. Coleman. We respect that, but the ultimate conclusion of the Court, which is absolutely right, is his testimony should be stricken.

We'd like to get our case on. Then they can present their experts, if they --

THE COURT: Mr. Alvarez, we will not finish tomorrow. Then we'll re-open the record at some point in the future to let you present Justice Stein.

MR. ALVAREZ: Thank you, Your Honor.

MR. LOCKWOOD: Your Honor, before you make that determination, could I just suggest that we reserve -- excuse me.

Before we make that consideration -- determination,